

EXHIBIT A

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
Northern Division**

NATIONAL FAIR
HOUSING ALLIANCE, *et al.*,

Plaintiffs,

v.

BANK OF AMERICA, N.A., *et al.*,

Defendants.

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Civil Action No. SAG-18-1919

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DECLARATION OF JOHN PETRUSZAK

I, John Petruszak, am over the age of 18 years and competent to testify to the matters set forth in this Declaration. All statements herein are based on my personal knowledge.

1. I have been the Executive Director of the South Suburban Housing Center (“SSHC”) for the last 30 years.

2. SSHC’s mission throughout its 50 years of operation has been to address all forms of housing discrimination and promote stable diverse communities through the implementation of core program activities that include fair housing enforcement, education and outreach, comprehensive housing counseling and referral services, and the provision of grants to promote home ownership and stabilize distressed mortgagees in communities of color.

3. SSHC’s housing counseling program provides one-on-one counseling to individuals considering purchasing a home or approaching their closing date. Our counseling is tailored to help individuals reach their unique homeownership goals. We also assist homeowners considering refinancing. Our homeownership counseling includes the following topics: the personal and financial advantages of homeownership versus renting; budgeting basics and credit analysis to

determine the individual's readiness; overview of the mortgage loan process; overviews of conventional, FHA, and affordable housing products; down payment and closing cost assistance; referrals to lenders, realtors, inspectors, insurance agents, attorneys, and other housing professionals; review and explanation of mortgage disclosures; loan estimates; closing disclosures; loan document review; preparation of a homeownership plan of action; fair housing, fair lending, and predatory lending awareness; and a post-purchase closing interview. We also provide a monthly educational course for prospective homebuyers. A major goal of our housing counseling program is to increase homeownership in communities of color throughout our service area, help people stay in their homes, and thereby promote stable, integrated communities.

4. SSHC investigated Defendants' REO maintenance and marketing activities within its primary south suburban Chicago metropolitan service area and adjacent northwest Indiana area. The investigation included several majority communities of color whose distressed housing markets had been struggling to recover since the high concentrations of foreclosures and consequent abandonment of REO properties materialized after the national mortgage market collapse in 2008.

5. SSHC's enforcement, counseling, and grant-making programs attempted to address these issues by stabilizing these communities of color hit the hardest by the 2008 housing market collapse, promoting them as desirable places to live, and working to undo the negative stereotypes attached to these communities. Before, during, and after our investigation of Bank of America REOs, SSHC worked to accomplish these goals in the communities of color included in our investigation into Defendants' REOs by identifying and taking action where discriminatory practices were found through our enforcement and education work, by providing homebuyer counseling and referral services to facilitate and promote homeownership, and by providing access to monetary relief programs for homeowners, including our own Inclusive Communities Fund mortgage down payment and mortgage distress grants, to prevent foreclosure and create affordable alternative

housing options, as well as our administration of the Hardest Hit Fund grants provided to individuals experiencing mortgage distress.

6. Defendants' failure to maintain and market their REO properties in communities of color in SSHC's service area exacerbated the market distress SSHC was actively fighting to redress, resulting in prolonged abandonment and devaluation in these communities. Defendants' poor maintenance and marketing of REOs in the communities of color we serve caused these homes to become undesirable to anyone except large investors who purchased them at bargain prices, made minimal repairs, and then charged exorbitant rental rates to former owner families that had been displaced.

7. For example, according to publicly available records, one Bank of America REO we investigated, located at 1000 Blouin Drive in Dolton, Illinois, a majority African-American community, sold for only \$28,000 in September 2012, even though most of the surrounding properties, which were well maintained, were valued at more than \$100,000. SSHC had visited this property in August 2012 and noted eight deficiencies. Bank of America's poor maintenance of this home resulted in its devaluation, which, in turn, had a destabilizing effect on the community.

8. Defendants' practices directly interfered with SSHC's core mission to stabilize housing values, foster integration, increase, through counseling efforts, opportunities for first time homebuyers, and save distressed homeowners from foreclosure in the recovering communities of color in our service area. Defendants' poor maintenance of REOs in the communities of color we serve reinforced the negative community images we were actively working to improve, both in our programmatic work and in our funding initiatives, and made these communities less desirable, which in our experience, impedes our efforts to foster racial integration.

9. Defendants' poor maintenance and marketing of REOs in communities of color in our service areas thwarted the investments of time and resources SSHC has long maintained on

programs intended to further our mission of promoting stable, diverse communities. Since 2008, SSHC has focused a great deal of its work on helping communities of color most affected by the foreclosure crisis recover—the same communities of color in which SSHC identified poorly maintained and marketed Bank of America REOs through its investigation. For example, we have worked to administer mortgage distress and down payment assistance grants in Dolton, Illinois to improve and stabilize this area’s housing values. In Dolton, we investigated eight Bank of America REOs in majority African-American neighborhoods that are currently at issue in this case. These eight homes had an average of 8.5 deficiencies each. The presence of these poorly maintained homes, and the negative ripple effects they have on the surrounding community, in terms of home values and neighborhood stigma, directly harms our work aimed at stabilizing these communities.

10. Defendants also undermined our efforts to promote and stabilize communities of color in our service area through housing counseling and grants intended to promote homeownership and keep people in their homes, by making the REOs they were responsible for less desirable. In our organization’s experience, prospective homebuyers are less likely to want to purchase a home that has been poorly maintained or that is next to a poorly maintained home. The poor maintenance of the Bank of America REOs in communities of color that we visited in our service area made our work promoting homeownership in these communities much more difficult. It not only devalues surrounding properties and reinforces negative stigma about the communities, but it decreases the housing stock available to the prospective homebuyers that we counsel.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on: May 29, 2025



John Petruszak